

LOCAL GOVERNMENT TAX CONTROL BOARD



**RECOMMENDATIONS
TO THE
DEPARTMENT OF LOCAL GOVERNMENT FINANCE
FROM**

August 24, 2006

Call to Order

Dave Christian called the August 24th 2006 Local Government Tax Control Board meeting to order at 9:00 am. Board members present were Dave Christian, Dan Jones, Stan Mettler, Lisa Decker, John Stafford and Ken Kobe. Judy Robertson was the administrative officer for the meeting.

Discussion:

Melissa Henson (Commissioner) and Mike Dart (General Counsel) from the Department of Local Government Finance also attended the meeting to discuss the following topics:

Thanks you all for sitting on the board and I appreciate the concern you demonstrate in your recommendations. The only outstanding issue is the City Services Facility for the City of Jeffersonville.

The Department is currently working on legislative initiatives – ways to improve the process or other things that need to happen. We are open to hearing comments or suggestions on ways to streamline the process or maybe where we need to make the process more stringent. Also, if there is other information you would like to see from us to make your decision easier.

I have given each of you a set of documents that the Department has prepared and can be found on our website. There is also a memo that we sent to all taxing units summarizing our position of the new law imposing the 2% Circuit Breaker. The three initiatives the agency is addressing are

(1) Annual Adjustment, which is really big right now. The annual adjustment is calculated by comparing the prior year assessment with current sales data from a neighborhood. The difference, positive or negative, will be used to create a factor that assessing officials will apply to the property's assessed value to bring it to current market value.

(2) The 2% Circuit Breaker, which is aimed at helping taxpayers by ensuring they don't pay more than t% of their property value in taxes. This may negatively impact debt issues in that the debt payment must be paid. If collections are below what is needed to make the payment, then units must use other sources, including the General Fund, to make the required debt payment.

(3) Systems Standard- the DLGF was required to adopt a rule for a statewide computer program that links the County Auditor, County Assessor, and County Treasurers offices. This will eliminate duplicate entry and more up to date reporting information that the legislators are requiring. It is a major step in uniformity. The department has adopted that rule and is now in the process of certifying vendors and making sure that all systems will link together.

Ken: Are there any priorities or objects that we need to know about as we go into the appeal process?

Melissa: Some may seem almost automatic, like the Volunteer Fire Expenses – if they meet the threshold, they can qualify for up to \$10,000. But others, like annexations, need to be based on needs. If you need more information, then don't hesitate to ask for it.

Judy then discussed the comparison worksheets that show how a unit's project compares to other like projects. She also mentioned the updated Summary that included documentation received since the first summary was done; the receipt of all judgment orders for the Lake County Unit; and that opposition and the media will be attending the Avon hearing today; the receipt of approximately 99 opposition letters against the Walnut Creek new fire station issue.

Recommendation:

Ken motioned to recommend approval of the minutes from the July 27th 2006 local government tax control board meeting. Lisa seconded and the motion carried 6-0.

Franklin Township, Marion County Fire Building & Equipment Loan

Summary: The unit is requesting a fire loan in the amount of \$3,309,000 for a term of six (6) years for the purpose of constructing a 12,278 square foot fire station and to purchase a fire engine and a pumper truck to house in the new fire station.

Project Costs: \$3,309,000 Amount applied to debt: \$3,309,000 Annual Payment: \$664,069

Tax Rate Impact:	2006 AV	\$1,930,727,650
	Levy Needed	\$593,692
	Est. Tax Rate	.0307

Meeting and Publication Dates:

Date of publication for a public hearing	06/21/2006
Date of public hearing	07/06/2006
Resolution/Ordinance adopted	07/06/2006
Notice of Determination	07/12 & 19/2006

Auditor's Certificate of No Remonstrance: 08/22/2006

Common Construction Wage: Hearing Held: 08/15/2006 Vote: 2-0-1 abstained

Financial History

Fire Fund	2006	2005	2004	2003
Budget Estimate	\$5,262,641	\$4,158,110	\$3,190,112	\$3,007,768
Cash Balance June 30	\$2,207,748	\$2,119,785	\$1,080,327	\$927,316
Certified Misc. Revenue	\$1,212,993	\$778,864	\$654,603	\$753,133
Operating Balance	\$0	\$0	\$0	\$0
Levy	\$4,050,667	\$2,924,170	\$2,554,115	\$2,330,256

Missing Information: None

Attendance

The following people attended the meeting: Tricia Leminger (Attorney), Terry Royalty (Trustee), Debbie Civils (Township Administrator), Joe Ernent (Fire Chief), Eric Reedy (Financial Advisor), and Kenneth Sebree (Sebree Architects).

Discussion:

Tricia: Some of the items I would like to discuss are (Referring to handout):

- Historical Overview
- Need for a new fire station – #555
- Site acquisition
- Replacement and additional equipment
- Advantages of purchasing two vehicles at the same time
- Site development and construction costs breakdown
- Charts detailing growth and increased runs
- Pictures of rust on old fire truck made of galvanized steel

Questions by board members:

Dave: Station 552 on your map has the smallest coverage area, why is that?

Fire Chief: That was the first and original station built in 1942. Geographically, there is only one way in or out, so the response time is slow from that station. The coverage area includes the Town of Acton and we need a new station that can respond to the town quicker.

Dave: The expanded area that station 555 will cover, what is the primary type of buildings?

Tricia: Mostly residential since water and sewer lines have been extended out.

Dave: There is a gap in coverage between stations 552 and 554?

Fire Chief: Yes, but the growth is not occurring there yet. We will have to address that in the future.

Tricia: I would also like to point out that we will close on the property donated by the school corp. in the next two to three weeks. We are working through due diligence issues now.

Ken: This is a straight general loan?

Tricia: Yes.

Ken: Why did you choose a term of six years?

Eric: That is the maximum term a township can have unless your assessed value is below a certain value. Something else that has not been discussed is that the township currently has two outstanding debts. One will be paid off next year and the second will be paid off in 2008. This debt will replace one and then the debt rate will decrease with the retirement of the second loan.

Dave: How much do you expect to receive for selling the old fire truck?

Fire Chief: Not much, you don't get a lot for old trucks – maybe \$10,000.

Dave: And what will that money be used for – to reduce the loan amount?

Fire Chief: It will be used to purchase additional equipment for the new truck that is not included in this request.

Dave: You show a 5.5% interest rate – how sure are you with that rate?

Eric: That should be high. The last one I closed had a rate of 4%.

Dan: How much was the 2006 emergency loan?

Eric: It came in lower than 2005 – it was \$1,434,391.

Dan: What was the tax rate for that emergency loan?

Eric: It was under eight cents.

Dan: Where does the township use its certified shares?

Eric: They get COIT and it is all put in the fire fund.

Dan: What amount did you estimate for COIT in the 2007 budget?

Eric: They will get a little bit more because of that special distribution. On the Form 2 we used \$700,000 for next year, up from the \$540,000 for this year.

Dan: The hearing information sheet shows a fund balance of \$723,000 in the cum fund – what is that earmarked for?

Eric: There is a \$50,000 encumbrance that needs to be paid; ambulance for \$130,000; vehicle budget of \$50,000; increase in budget of \$40,000; maintenance of \$150,000; land acquisition of \$69,000; and the rest will be used for a down payment on a ladder truck the chief needs.

Lisa: There were no taxpayer objections?

Tricia: No.

Stan: Have you built in personnel and increased operating expenses into the 2007 budget?

Fire Chief: Yes, it should all be taken care of.

Recommendation:

Stan motioned to recommend approval of an emergency fire loan in the amount of \$2,238,590 for a term of six (6) years. Lisa seconded and the motion carried 6-0.

Walnut Creek Fire Protection District, Putnam County Lease Financing

Summary: The unit is requesting approval to execute a lease in the amount of \$246,000 with maximum annual lease rental payments not to exceed \$41,000 for a term of twelve (12) years for the purpose of constructing a fire station for the VanBibber Lake Fire Station and to purchase a used vehicle to house in the new station.

Project Costs: \$373,000 Amount applied to debt: \$246,000 Annual Payment: \$41,000

Controlled or Uncontrolled: Uncontrolled

Tax Rate Impact:	2006 AV	\$123,313,695
	Levy Needed	\$37,720
	Est. Tax Rate	.0306

Meeting and Publication Dates:

Date of publication for a public hearing	06/26/2006
Date of public hearing	07/06/2006
Resolution/Ordinance adopted	07/06/2006
Notice of Determination	N/A

Auditor's Certificate of No Remonstrance: N/A

Common Construction Wage Hearing: Held: 07/27/2006 Vote: 3-0-1 abstained

Financial History

Fire Fund	2006	2005	2004	2003
Budget Estimate	\$128,031	\$103,014	\$104,512	\$129,700
Cash Balance June 30	\$64,578	\$41,580	\$34,8887	\$93,936
Operating Balance	\$0	\$0	\$0	\$0
Levy	\$57,587	\$62,196	\$54,216	\$45,327
Rate	0.0467	0.0492	0.0429	0.0371

Missing Information: None

Attendance

The following people attended the meeting: Lucy Emison (Bond Counsel with Ice Miller), Kathy Deer (Secretary-Treasurer for District), Ryan Usher (Financial Advisor with Umbaugh), Jerry L. Thacker (Building Committee), Charlie Boller (Building Committee), and Sarah Wolf (Community Resident).

Discussion:

Good morning.

Questions by board members:

Dave: What kind of used equipment are you hoping to purchase?

Kathy: We haven't specified that yet. We would like to upgrade our vehicle, not by a new one.

Dave: Who is the lease with?

Lucy: A building corporation.

Stan: Do you want to build a new station or refurbish the current one?

Kathy: We want to build a new one. The current station is just a garage and it is not big enough to house the fire trucks – they have to be parked outside the station. We had been approved for a Build Indiana Grant, but it never materialized.

John: Do you plan to keep your tax rate level?

Kathy: Yes, once we retire the current debt.

Ken: What is your service area?

Kathy: All of Clinton and Monroe Townships and Bainbridge. VanBibber Lake is a mobile home community that we cover also.

Ken: Per the information we received, the residents are objecting to the fire station – do you know why?

Kathy: The objections are coming from the volunteer fire department. They would like to see us add on to the present building, one that they lease and do not own. They say they can build a station themselves for a lot less, but they do not have to go through all the processes that we do. They have not done any research, checking or analysis. They have no understanding about constructing public buildings. They are pricing a new station based on an agricultural pole barn.

Dave: They are pricing the same square footage?

Kathy: Ours is bigger than what they propose, though they have never come up with a specific, detailed plan.

Ken: What happens if they stop servicing your area?

Kathy: Bainbridge has agreed to help us out, if the need arises.

Dave: Who owns the vehicles?

Kathy: The volunteer fire department.

Dan: What is your population and how many square miles do you cover?

Kathy: The population is about 3,062 and I do not know the square mileage. We cover two townships.

Dave: What type of construction are you proposing?

Kathy: A pole barn type. (Maps of the area were presented) Our township owns four acres and we have petitioned the conservancy district to be included within their boundaries.

Jerry Thacker: The current fire station is in disarray. It is too small and inadequate. It is mayhem trying to get the equipment to events. There is only one way in and out of the district, and there is no room to turn the vehicles around. It makes sense to move the station to a more centrally located place in order to service other areas.

Dave: Can they add on the current building?

Jerry: No, it would take away the only playground the children have.

Charlie: The roads inside the conservancy were designed for golf carts. It is simply not feasible to drive fire engines on them. I am on the building committee and I am also a State Trooper.

Jerry: Any efforts to improve the building, or to add on to it, would necessitate going through the U.S. Government since they are the ones who financed the project.

Dan: You have a debt service of \$246,000 and a total project cost of \$373,000 – what is the source of the other funding?

Kathy: It is funds we built up in anticipation of matching a Build Indiana Grant, which we did not get.

Recommendation:

John motioned to recommend approval to execute a lease in the amount of \$246,000 with maximum annual lease payments not to exceed \$41,000 for a term of twelve (12) years. Lisa seconded and the motion carried 6-0.

Seymour Municipal Airport Authority, Jackson County Establish a Maximum Levy

Summary: The unit is requesting a levy to support the Authority originally established on November 30th, 1992. The Authority has not levied taxes since it's' conception. It is now requesting the authority to levy a tax.

Fund	Budget	Levy	Rate
Aviation	\$932,190	\$291,595	.0333
Equipment Replacement Fund			.0033

Ordinances:

Established a tax levy for the Aviation fund not to exceed .0333	05/15/2006
Established a tax levy for the Cumulative Building fund not to exceed .0033	05/15/2006
Ordinance establishing the Airport Authority	11/30/1992

Budget Information:

Personnel		Supplies	
Salaries/Wages	\$194,228	Office	\$4,800
Benefits	\$84,790	Operating	\$28,550
Other	\$0	Repair/Maintenance	\$3,000
	<u>\$279,018</u>	Other	<u>\$7,600</u>
			\$43,950

Other		Capital Outlay	
Professional	\$7,400	Land	\$0
Communications	\$9,800	Buildings	\$0
Printing/Advertising	\$800	Improvements	\$0
Utility	\$28,500	Machinery/Equipment	\$15,500
Repairs/Maintenance	\$31,500	Other	\$350,992
Rentals	\$1,000		<u>\$366,492</u>
Property Taxes	\$60,000		
Other	\$43,500		
	<u>\$242,700</u>	Total Budget	\$932,190

Total amount of projects to be completed over a five year period = \$4,674,020

Project total Capital Outlays capitalized over a five year period = 934,804

Requested permanent levy in capital projects for total projects = \$350,992

Yearly machinery/equipment portion capitalized over a five year period = \$3,100

New total for Capital Outlays = 354,092

New Total Budget = \$919,790

Attendance

The following people attended the meeting: Bob Zickler (Airport Authority President), Don R. Furlow (Airport Manager), Jeffrey Lorenzo (Airport Attorney), and Bryan Collins (Attorney with Bingham McHale).

Discussion:

Jeffrey: We are here to establish a levy to operate Freeman Field. We first applied to levy taxes in 1993 and again in 1997; we were turned down both times. In 2001 we sold our water utility for \$1.3 million and have been operating from that revenue. We are now below \$600,000. Our operating balance has declined to where we are operating in the red. We cannot increase our rental fees beyond what they are now – the businesses simply could not afford it. The Airport can no longer operate without major improvements made to the infrastructure.

Bryan: It is appropriate for us to revise and give you a corrected Form 4B, to correctly reflect balances in each of our funds. Our revenue is not exceeding our expenses. If our request is denied again, then it will lead to the inevitable shut down of some of the airport.

Dan: What is the structural operational deficit?

Bryan: In order to answer that, we need to separate the structural and operational items. The current need is to replace outdated infrastructure. Without the infrastructure improvements, there is no need. Our Rainy Day Fund should not be considered by the board as to whether to levy a tax or not. The fund is allowed by law for the purposes of emergencies.

Don Furlow: (See exhibit 1 for full presentation). The main points in Mr. Furlow's presentation were:

- The Airport's historical spending discipline
 - Not supported by a tax levy
 - Only source of revenue is rents from commercial, industrial & agricultural tenants
- Meeting Capital needs
 - Need for a regular funding source
 - Need to address basic infrastructure needs

- Without a levy, the airport will not be able to address basic repair and maintenance needs
- The purpose of the Improvement and Reserve fund
 - Established to assure the Board has balances available to meet unforeseen contingencies
- Examples of the use of the Improvement and Reserve fund
 - Unbudgeted expense for striping the roads per INDOT's mandate
 - Matching funds for awarded grants
- The Rainy Day fund established for emergencies

There is no parking available except for a rocky dirt site. We have a 1 ½ mile stretch of road that needs to be widened and shoulders built. The design was laid out in the early 40's. The turning radius is not sufficient and can tie up traffic and operations trying to maneuver vehicles. INDOT came in and said we have to stripe the road - that cost is about \$35,000. The FFA contacted us and said there is money available for us to build a terminal, which we have never had. The terminal will cost about \$1 million, and the FFA grant is a little over \$300,000. We also have no weather reporting system and it is necessary to plan long-range trips.

Questions by board members:

Ken: What kind of leases do you have?

Don: Land leases mostly. Factories have come in and built their own buildings.

Dave: Why were you turned down twice? What has changed since then?

Don: We do not know why we were turned down – we assume it is because we had money in the bank and were not using it at that time.

Jeffrey: What has changed is we have a new aggressive board with the goal of being competitive and wanting to provide the necessary infrastructure.

Ken: Are you the only airport in Jackson County?

Jeffrey: Yes, we are.

Ken: The purpose of the levy is for capital improvements?

Jeffrey: Yes and for the maintenance of capital.

Dan: The \$350,000 included in the budget for a permanent max levy is a one-time expense?

Don: No, it is the yearly amount we need. I have identified over \$4 million of improvements that are urgently needed plus the potential of \$2 to \$3 million more that should be done. We need to improve a 1 ½ mile stretch of road leading into the airport, plus an additional nine miles of road to maintain inside the airport.

John: Who appoints your board?

Don: The Mayor does.

John: Does the City Council state their support anywhere?

Don: Only informally; they are not required to approve our budget.

Dan: What format did you use for your budget advertising?

Bryan: No there is no set format; we used the same format we use for other transactions to inform the public of our intentions.

Ken: This \$351,000 is the capital improvement funds you need each year?

Don: We will more than likely continue to run a deficit because of increased operational costs, including increases in health insurance. Without a levy, we will have to shut down a part of the airport.

Ken: Is there a definitive long-range plan in place now?

Don: I have done an information five year plan.

Ken: The only justification for this levy is the immediate need for capital improvements.

John: I agree, but I think they need the approval of the City Council as an elected body.

Dan: I would support a debt fund that has a sunset limit on it, not a permanent levy established.

John: I would suggest two things before we can make a recommendation: (1) Evidence of support from the City Council and (2) A more refined proposal for the use of the funds.

Recommendation:

Ken motioned to recommend the tabling of the request until next month after the receipt of additional information. John seconded and the motion carried 5-1 with Stan opposing stating that there is precedence for an appointed board setting their own rates and levies and that is Library Boards – they are not elected, but appointed boards.

Poland Fire Protection Territory, Owen County Establish a Levy

Summary: The unit is requesting a levy to support the newly formed unit established in March 18th 2006, and will be effective to collect property taxes in 2007.

General Fund Budget \$37,178 Levy \$42,115 Rate .0828

Resolutions: Agreement to establish territory 03/18/2006
 Ordinance from Jackson Twp, Owen County 02/27/2006
 Ordinance from Cass Twp, Clay County 03/18/2006

Proposed Budget:

Personnel		Supplies	
Salaries/Wages	\$2,500	Office	\$350
Benefits	\$	Operating	\$3,737
Other	\$	Repair/Maintenance	\$488
	\$2,500	Other-Protection	\$2,000
			\$6,575
Other		Capital Outlay	
Professional	\$1,800	Land	\$5,000
Communications	\$	Buildings	\$
Insurance	\$15,167	Improvements	\$
Utility	\$4,958	Machinery/Equipment	\$
Repairs/Maintenance	\$841	Other	\$
Rentals	\$		\$5,000
Debt Service	\$		
Other	\$337		
	\$23,103	Total Budget	\$37,178

Attendance

The following people attended the meeting: Brad Allen (Board Director) and Gandy Paris (Jackson Township Trustee).

Discussion:

We are here and would like to withdraw our request. There has been a change in purpose because our budget is now invalid. It is my understanding that since the budget approval was deadlocked at 1-1 in one of the townships, that we cannot have a budget for next year.

Center Township, Jennings County Fire Loan

Summary: The unit is requesting approval to obtain a loan in order to purchase a new 1000 gallon pumper-freightliner fire truck in the amount of \$120,000 for a term of six (6) years.

Project Costs: \$120,000 Amount applied to debt: \$120,000 Annual Payment: \$23,745

Controlled or Uncontrolled: Controlled

Revenue Source for Property Tax Backup: N/A

Tax Rate Impact:	2006 AV	\$84,159,480
	Levy Needed	\$22,745
	Est. Tax Rate	.0270

Meeting and Publication Dates:

Date of publication for a public hearing	05/23/2006
Date of public hearing	06/05/2006
Resolution/Ordinance adopted	06/05/2006
Notice of Determination	06/15/2006

Auditor's Certificate of No Remonstrance: 07/17/2006

Common Construction Wage: N/A

Financial History

Fire Fund	2006	2005	2004	2003
Budget Estimate	\$7,000	\$7,000	\$5,000	\$5,000
Cash Balance June 30	\$26,044	\$26,765	\$21,591	\$21,472
Operating Balance	\$24,516	\$25,019	\$24,961	\$23,751
Levy	\$2,020	\$1,975	\$1,915	\$1,853
Rate	0.0024	0.0024	0.0021	0.0020

Missing Information: None

Attendance

The following people attended the meeting: Ed Kreutzjans (Trustee).

Discussion:

We would like to purchase one truck that has all the specifications we need. We currently have only one truck, it is a 1986 model that needs to be replaced. The Town of North Vernon has loaned us a truck that we can use when ours is out of service. We really do not have a truck that meets all of our specifications.

Questions by board members:

Dave: Did anybody object?

Ed: No and the council approved it unanimously.

Recommendation:

Ken motioned to recommend approval of a fire equipment loan in the amount of \$120,000 for a term of six (6) years. Lisa seconded and the motion carried 6-0.

**Marion Township, Lawrence County
Emergency Fire Loan**

Summary: The unit is requesting an emergency fire loan in the amount of \$32,000 for a term of one (1) year for the purpose of funding the yearly contract for fire protection.

Project Costs: \$32,000

Amount applied to debt: \$32,000

Annual Payment: \$32,000

Emergency Loan Calculation:	2006
Certified Property Taxes	\$21,705
Certified Misc. Revenue	\$16,338
Jan. 1st Cash Balance	\$1,492
Total Funds Available	\$39,535
Less: Prior Year Encumbrances	\$0
Less: Estimated Expenses	\$57,000
Funds Remaining (Needed)	-\$17,465

Budget Advertised	\$57,000
Budget Adopted	\$57,000

Advertised/Adopted Budget	\$57,000
Less Certified Budget	\$35,436
Budget cut by DLGF	\$21,564

Tax Rate Impact:	2006 AV	\$199,130,760
	Levy Needed	\$32,000
	Est. Tax Rate	.0161

Meeting and Publication Dates:

Date of publication for a public hearing	03/29/2006
Date of public hearing	04/13/2006
Resolution/Ordinance adopted	04/13/2006
Notice of Determination	06/02/2006

Auditor's Certificate of No Remonstrance: 07/03/2006

Financial History

Fire Fund	2006	2005	2004	2003
Certified Budget	\$35,436	\$52,000	\$42,762	\$48,500
Cash Balance June 30	\$24,728	\$149	\$21,612	\$32,152
Operating Balance	\$0	\$7,168	\$0	\$6,477
Levy	\$21,705	\$20,997	\$18,169	\$19,435
Rate	0.0109	0.0112	0.0102	0.0114

Missing Information: None

Attendance

The following people attended the meeting: Ilene Hardman (Trustee).

Discussion and Questions by board members:

Dave: Have you been here before?

Ilene: No, this is my first time.

John: The emergency loan calculation shows you have a need of \$17,000 and the DLGF cutting your budget by \$21,000. Why are you asking for \$32,000?

Ilene: Always before I have put half of my certified shares in fire, but now the township fund needs it and so I am not going to have the \$12,600 revenue to help out the fire fund. I had to make a loan of \$16,000 to the township fund to keep it going.

Dan: The DLGF would like for you to resubmit page three of the hearing information sheet that reflects that \$16,000 is a loan. The emergency loan calculation has to show a need of \$32,000 in order for the full amount to be approved.

Recommendation:

Stan motioned to recommend approval of an emergency fire loan in the amount of \$32,000 for a term of one (1) year. John seconded and the motion carried 6-0.

Town of Centerville, Wayne County General Obligation Bonds

Summary: The unit is requesting approval to issue bonds in the amount of \$255,000 for a term of ten (10) years for the purpose of purchasing an emergency rescue truck.

Project Costs: \$255,000 Amount applied to debt: \$255,000 Annual Payment: \$40,141

Controlled or Uncontrolled: Uncontrolled

Revenue Source for Property Tax Backup: N/A

Tax Rate Impact:	2006 AV	\$59,645,110
	Levy Needed	\$36,930
	Est. Tax Rate	.0619

Meeting and Publication Dates:

Date of publication for a public hearing N/A
Date of public hearing N/A
Resolution/Ordinance adopted 06/13/2006
Notice of Determination N/A

Auditor's Certificate of No Remonstrance: N/A

Common Construction Wage: N/A

Financial History

General Fund	2006	2005	2004	2003
Budget Estimate	\$798,780	\$774,871	\$756,941	\$697,489
Cash Balance June 30	\$232,024	\$297,183	\$232,741	\$413,720
Operating Balance	\$16,529	\$0	\$31,435	\$48,024
Levy	\$299,359	\$344,344	\$238,510	\$318,567
Rate	0.5019	0.6047	0.4074	0.6038

Missing Information: None

Attendance

The following people attended the meeting: Edward O. Martin (Local Counsel), Gary E. Locke (Deputy Fire Chief), Kate Johnson-Keep (Town Council), Ryan Usher (Financial Advisor with H.J. Umbaugh), Janice Roberts (Centerville Clerk Treasurer), and Jane Herndon (Bond Counsel).

Discussion:

May 29th we were requested to respond with mutual aid for a rescue. After the aid was given we went to leave the scene and our truck was dead. We were able to jump start it and get it back to the station. During an investigation of the truck, we noticed that all the wires had melted. It is a truck we purchased used in 1995. The truck is consistently 3,000 pounds overweight when we put all of the equipment on it that Homeland Security requires us to carry. This causes us to have to replace the brakes every year. The truck is in bad shape overall. Space on the truck to carry equipment is also a problem. Firefighters cannot do their job efficiently. We are trying to plan for future needs and purchase a truck big enough to meet those needs.

Kate: The Town Council is in support after doing much research ourselves. Our Town is continuing to grow and a new fire truck will be a much needed benefit.

Janice: We will use some of our excess fund to help purchase the truck. We have \$15,000 in our CCI fund, \$21,000 in highway funds, and we intend to use those funds to make the payments for the first two years.

Jane: The Town is using these other funds in order to keep the tax rate level. The current debt will be retired in two years and this debt issue will go on the books for the third year.

Questions by board members:

Lisa: Is the public supporting this?

Janice: Extremely supportive, we have shown them the need for a new truck.

Ken: How do you propose to finance the purchase?

Jane: It will be competitively bid.

Dan: Did you look into a lease rather than issue bonds? The fees associated with issuing bonds are extremely high compared to the amount of debt you need.

Janice: We did look into a lease, but the method that was chosen was to issue bonds.

Jane: The fees listed in the hearing information sheet are at the maximum amount; I can tell you for sure that we will not charge that much.

Ryan: There is not much difference between a general obligation bond issue and a lease as far as the requirements and notices that have to be done. Bonds tend to get a lower interest rate, but that is offset by other fees associated with issuing bonds.

Jane: And of course, there are other costs associated with executing leases.

Recommendation:

Stan motioned to recommend approval of an emergency fire loan in the amount of \$255,000 for a term of ten (10) years. John seconded and the motion carried 5-1 with Dan opposing.

**City of Vincennes, Knox County
General Obligation Bonds**

Summary: The unit is requesting approval to issue bonds in the amount of \$800,000 for a term of seven (7) years for the purpose of fire protection vehicles and safety equipment.

Project Costs: \$800,000 Amount applied to debt: \$800,000 Annual Payment: \$168,350

Controlled or Uncontrolled: Uncontrolled

Revenue Source for Property Tax Backup: N/A

Tax Rate Impact:	2006 AV	\$427,294,574
	Levy Needed	\$168,350
	Est. Tax Rate	.0394

Meeting and Publication Dates:

Date of publication for a public hearing	N/A
Date of public hearing	N/A
Resolution/Ordinance adopted	07/24/2006
Notice of Determination	N/A

Auditor's Certificate of No Remonstrance: N/A

Fire Marshall's Response Type & cost of equipment is reasonable

Financial History

Fire Fund	2006	2005	2004	2003
Budget Estimate	\$2,381,249	\$2,334,082	\$2,221,545	\$2,135,892
Cash Balance June 30	\$685,211	\$624,193	\$(604,633)	\$203,829
Operating Balance	\$107	\$60,202	\$77	\$443
Levy	\$2,163,392	\$1,688,056	\$2,055,584	\$1,834,625
Rate	0.5063	0.3905	0.4716	0.4115

Missing Information: None

Attendance

The following people attended the meeting: Kostas Poulakidas (Attorney with Krieg DeVault), Joseph A. Yocham (Vincennes Fire Chief), Tom Guevara (Financial Advisor with Crowe Chizek), Terry Mooney (Mayor), Herschel Frierson (Financial Advisor with Crowe Chizek), and Jim Crawford (Attorney with Krieg DeVault).

Discussion:

We would like to purchase a 75' Quint to replace an engine truck. We are going with a Quint to help the ISO rating and to meet the need to reach the six-floor dormitory high-rise that the University just built. We are also going to purchase another chassis in order to extend the life of another vehicle. The last vehicle we purchased was via a six-year bond. After that debt is expired, we will come back to purchase a new one. This is how we maintain our equipment. The equipment we are having installed on the truck is a light tower, a cascade system, and extrication equipment.

Questions by board members:

Stan: Is 75' tall enough to reach the top of a six-floor building?

Fire Chief: Yes, but we also have a 100' platform truck that we will respond with.

Answer: This truck will be at the station located on the University.

Dan: What is the tax impact?

Herschel: About four cents; the prior debt will roll off this year. Tax rate will be level.

Ken: If towns could use the same procedure that townships use to purchase fire equipment, would that save the towns some costs?

Jim: Yes, I think so.

Dan: On page 7 of the hearing information sheet you have an ending balance of \$4 million – what funds does that include?

Herschel: I will have to get back with you on that – I do not have that detail.

Tom: It involves several cum funds.

Recommendation:

John motioned to recommend approval to issue general obligation bonds in the amount of \$800,000 for a term of seven (7) years. Lisa seconded and the motion carried 6-0.

City of Hobart, Lake County General Obligation Bonds

Summary: The unit is requesting approval to issue bonds in the amount of \$1,800,000 for a term of eight (8) years for the purpose of financing the construction costs associated with the paving of streets with the City, and supervision & inspection during the period of construction, and costs related to the issuance of bonds.

Project Costs: \$1,800,000

Amount applied to debt: \$1,800,000

Annual Payment: \$385,380

Controlled or Uncontrolled: Uncontrolled

Revenue Source for Property Tax Backup: N/A

Tax Rate Impact:	2006 AV	\$1,239,199,351
	Levy Needed	\$366,111
	Est. Tax Rate	.0295

Meeting and Publication Dates:

Date of publication for a public hearing	N/A
Date of public hearing	N/A
Resolution/Ordinance adopted	Missing
Notice of Determination	N/A

Auditor's Certificate of No Remonstrance: N/A

Common Construction Wage: Missing

Financial History

General Fund	2006	2005	2004	2003
Budget Estimate	\$10,455,409	\$12,977,534	\$12,710,915	\$12,628,742
Cash Balance June 30	\$53,045	\$1,798,734	\$1,694,873	\$4,241,308
Operating Balance	\$0	\$0	\$0	\$0
Levy	\$12,141,675	\$11,583,012	\$10,873,891	\$11,056,078
Rate	0.9798	0.9535	0.8977	0.9382

Missing Information:

Resolution/Ordinance
Common Construction Wage

Attendance

The following people attended the meeting: Linda M. Buzinec (Mayor), Tom Pitman (Bond Counsel with Baker & Daniels), and Todd Samuelson (Financial Advisor with H.J. Umbaugh).

Discussion:

We are here to answer any questions you have. We need to improve the streets of the city and this is the way we are using to finance the improvements.

Questions by board members:

Lisa: Do you have Major Moves money that could be used?

Linda: We are using that for other needed projects.

Ken: Did you council approve the project?

Linda: Not unanimously; the vote was 4-2 with 1 absent.

Lisa: Do you know why the council members voted no?

Linda: At first they were supportive, but when it came time to vote, they changed their minds. I do not know why.

Lisa: Does the public support the plan?

Linda: There were no public objections. They are pleased that we are going to see their streets and curbs fixed.

Stan: Do you know how the 2% Circuit Breaker is going to affect you?

Todd: I do know that it is not a major concern until pay 2010 when all property is affected.

Dave: How sure are you with this interest rate?

Todd: Interest rate today is better – I always estimate high since you don't know what the market is going to do from the time you submit the request and the time you close.

Dan: What is your bond rating?

Todd: I would expect an A rating, but I don't expect to pursue a rating.

Dan: How many miles of streets are you paving?

Linda: We have 141 miles altogether and we have already paved 51 acres. It will be about 40 miles for this project.

Recommendation:

Ken motioned to recommend approval to issue general obligation bonds in the amount of \$1,800,000 for a term of eight (8) years. John seconded and the motion carried 6-0.

**Lake County Unit, Lake County
Judgment Bonds**

Summary: The unit is requesting approval to issue judgment bonds in the amount of \$1,500,000 for a term of three (3) years for the purpose of financing judgment against the County.

Project Costs: \$1,500,000 Amount applied to debt: \$1,500,000 Annual Payment: \$800,000

Controlled or Uncontrolled: Uncontrolled

Revenue Source for Property Tax Backup: N/A

Tax Rate Impact:	2006 AV	\$19,210,322,805
	Levy Needed	\$740,000
	Est. Tax Rate	.0039

Meeting and Publication Dates:

Date of publication for a public hearing	N/A
Date of public hearing	N/A
Resolution/Ordinance adopted	07/11/2006
Notice of Determination	N/A

Auditor's Certificate of No Remonstrance: N/A

Common Construction Wage:

N/A

Financial History

General Fund	2006	2005	2004	2003
Budget Estimate	\$120,605,946	\$111,104,677	\$110,722,571	\$106,606,225
Cash Balance June 30	\$134,399	\$(14,064,130)	\$25,764,105	\$42,896,225
Operating Balance	\$981,545	\$421,437	\$583,713	\$39,297
Levy	\$93,342,959	\$90,399,813	\$87,298,718	\$86,957,576
Rate	0.4859	0.4762	0.4692	0.4866

Missing Information: None

Note: Received copies of judgment orders totaling \$1,203,000; also received a revised page six detailing the cost of financing to be approximately \$136,000.

Attendance

The following people attended the meeting: Jim Crawford (Bond Counsel with Krieg DeVault), Bob Swintz (Financial Advisor), and Kostas Poulakidas (Bond Counsel with Krieg DeVault).

Discussion:

This bond issue generates from the Heilman case from last October in the amount of \$510,000; with interest it is close to \$600,000. The courts issued a judgment on us to sell judgment bonds in order to settle the claim. Since we are issuing the bonds, we have included other claims that we need to fully settle, mostly workers compensation claims. As it stands now, we will probably not need the full \$1,500,000, but that is what we are asking for in order to cover any incidentals and interest payments that accrue until the time we settle.

Questions by board members:

Dave: What interest rate are you using?

Bob: We assumed a five percent rate.

Ken: The fees and costs listed here are not negotiated?

Bob: No, they are the maximum possible. In actuality, we will not have the three percent discount fee.

Recommendation:

Dan motioned to recommend approval to issue judgment bonds in the amount of \$1,400,000 for a term of three (3) years. Ken seconded and the motion carried 5-1 with Stan opposing.

Steuben County Unit, Steuben County General Obligation Bonds

Summary: The unit is requesting approval to issue bonds in the amount of \$3,810,000 for a term of fifteen (15) years for the purpose of renovating and remodeling (a) the County Courthouse, (b) the Community Center Building, and (c) the County Annex & Jail Building.

Project Costs: \$3,810,000 Amount applied to debt: \$3,810,000 Annual Payment: \$619,600

Controlled or Uncontrolled: Controlled

Revenue Source for Property Tax Backup: N/A

Tax Rate Impact:	2006 AV	\$2,658,210,522
	Levy Needed	\$565,640
	Est. Tax Rate	.0213

Meeting and Publication Dates:

Date of publication for a public hearing	03/14/2006
Date of public hearing	03/27/2006
Resolution/Ordinance adopted	03/27/2006
Notice of Determination	04/04/2006

Auditor's Certificate of No Remonstrance: 05/05/2006

Common Construction Wage: 05/11/2006 Vote: 2-0-1 abstained

Financial History

General Fund	2006	2005	2004	2003
Budget Estimate	\$9,218,308	\$10,391,184	\$8,738,118	\$8,975,489
Cash Balance June 30	\$(1,258,997)	\$1,832,411	\$2,753,901	\$1,945,299
Operating Balance	\$0	\$353,122	\$0	\$0
Levy	\$3,471,623	\$3,287,064	\$3,409,935	\$2,774,673
Rate	0.1306	0.1257	0.1275	0.1016

Missing Information: None

Attendance

The following people attended the meeting: Mayo Sanders (Count Commissioner), Kim Koomler (County Auditor), Phil Gutman (Financial Advisor), Dave Corner (Contractor), and Karl Sturbaum (Bond Counsel).

Discussion:

Mayo: We started this process a year ago by pulling in the department heads, along with elected officials to determine what the needs are. The primary area that need addressed right now is the Heating/AC system, which is not the best. We started with a wish list and scaled it back to basic needs.

We also need a county-wide telephone system that will back into 911 dispatcher system. The last area of concern is the major deterioration of the exterior of the building. The body needs to have tuck-pointing done. We also need a new roof for the community center and to replace the air conditioning unit there.

Questions by board members:

Dave: How old is the courthouse building?

Mayo: I'm not sure, but I think it was built in 1935, the year of my birth.

Dave: Has any repairs been done before?

Mayo: Only band-aid efforts; a littler bit done here and there.

Phil: The building was declared obsolete in 1975.

Dave: Are these buildings all ADA compliant?

Answer: Yes.

John: You have no outstanding debt?

Mayo: That is correct – we just paid off the jail last year.

Lisa: There were three no votes from the council?

Mayo: At first, there was only one no vote. The other two changed their minds because they wanted to wait and see what the new financial advisor, Jeff Peters, said to do.

Lisa: Any public comments?

Mayo: None whatsoever.

Phil: The public was given the \$4,700,000 amount and they thought it was not enough; there were other projects that needed to be completed also.

Stan: What general contractor did you choose?

Mayo: Trane Corp. was selected.

Ken: Who is your construction manager?

Mayo: The same.

Dan: You have \$175,500 under general conditions – what is that for?

Phil: That is just an allocated amount to that line item. They gave us a lump sum and I broke it down into categories.

Dave: You have \$200,000 for contingency; that is about 5% - is that enough?

Phil: No, I don't think it is, but that is all the council would approve. They refuse to approve any more than \$3,810,000 period. They have gone over this with a fine tooth comb.

Stan: When you awarded the Energy Savings Contract, what statute did you use?

Phil: It is the savings contract under I.C. 36-1-12-5.

Stan: With the contract, how much is stipulated and how much was savings?

Phil: The contract has been selected, but not awarded yet. In this cost breakdown, everything but the \$11,785 is stipulated.

Recommendation:

Ken motioned to recommend approval to issue general obligation bonds in the amount of \$3,810,000 for a term of fifteen (15) years. Lisa seconded and the motion carried 6-0.

**Noble Township, Noble County
Fire Equipment Loan**

Summary: The unit is requesting approval to obtain a loan in the amount of \$50,000 for a term of six (6) years for the purpose of purchasing safety equipment in order to meet minimal state mandated safety standards.

Project Costs: \$73,130

Amount applied to debt: \$50,000

Annual Payment: \$10,030

Controlled or Uncontrolled: Controlled

Revenue Source for Property Tax Backup: N/A

Tax Rate Impact:	2006 AV	\$111,707,244
	Levy Needed	\$10,030
	Est. Tax Rate	.0090

Meeting and Publication Dates:

Date of publication for a public hearing	05/24/2006
Date of public hearing	06/07/2006
Resolution/Ordinance adopted	06/07/2006
Notice of Determination	06/15/2006

Auditor's Certificate of No Remonstrance: 07/18/2006

Common Construction Wage: N/A

Financial History

Fire Fund	2006	2005	2004	2003
Budget Estimate	\$70,500	\$62,500	62,500	\$62,500
Cash Balance June 30	\$29,488	\$0	\$54,329	\$41,638
Operating Balance	\$24,382	\$115,765	\$76,437	\$63,261
Levy	\$36,528	\$19,979	\$33,759	\$32,279
Rate	0.0327	0.0178	0.0294	0.0297

Missing Information: None

Attendance

The following people attended the meeting: Ira Schlotterback (Trustee).

Discussion and Questions by board members:

Dave: Were there any objections?

Ira: No none, we have an Auditor's Certificate verifying no objections.

Stan: Is this for the volunteer fire department or do you have your own fire stations?

Ira: We contract with the volunteer fire department. We have \$30,000 on hand to help with the purchase.

Dan: Did you include a debt levy in your 2007 budget?

Ira: Yes.

Recommendation:

Lisa motioned to recommend approval of a fire equipment loan in the amount of \$50,000 for a term of six (6) years. Dan seconded and the motion carried 6-0.

**Whiteland Fire Protection District, Johnson County
Fire Equipment Loan**

Summary: The unit is requesting approval to obtain a fire equipment loan in the amount of \$750,000 for a term of six (6) years in order to purchase a combination of fire vehicles.

Project Costs: \$750,000 Amount applied to debt: \$750,000 Annual Payment: \$152,820

Controlled or Uncontrolled: Controlled

Revenue Source for Property Tax Backup: N/A

Tax Rate Impact:	2006 AV	\$226,697,880
	Levy Needed	\$144,273
	Est. Tax Rate	.0636

Meeting and Publication Dates:

Date of publication for a public hearing	05/27/2006
Date of public hearing	06/14/2006
Resolution/Ordinance adopted	06/14/2006
Notice of Determination	06/20/2006

Auditor's Certificate of No Remonstrance: 07/21/2006

Common Construction Wage: N/A

Fire Marshall's Response: Costs & Equipment are reasonable

Financial History

Fire Fund	2006	2005	2004	2003
Budget Estimate	\$248,375	\$231,825	\$231,075	\$271,600
Cash Balance June 30	\$184,426	\$223,274	\$152,970	\$161,362
Operating Balance	\$47,145	\$96,127	\$62,594	\$74,011
Levy	\$81,385	\$79,833	\$73,018	\$69,938
Rate	0.0359	0.0361	0.0336	0.0322

Missing Information: None

Attendance

The following people attended the meeting: Bob Campbell (Financial Advisor), Don Sanders (District President), and Tim Holmes (Public Finance Contractor).

Discussion:

We are taking bids on three vehicles, but we are only going to purchase two of them. The total amount will not exceed \$750,000.

Questions by board members:

Dave: You have estimated a 5 1/2 % interest rate?

Tim: We estimated high, we expect 5%.

Dave: Were there any remonstrators?

Don: None.

Dave: Did your board approve this unanimously?

Don: Yes.

Dan: Where do you put your distributive shares that you get from local income taxes?

Bob: We put all of them in the general fund.

Stan: How tall is the aerial truck?

Don: We are backing off on the aerial truck; the chief doesn't think we need it at this time.

Stan: What is the amount of the loan you will need then?

Don: Around \$575,000; the bids have come in at \$535,000, plus an additional \$35,000 for equipment.

Tim: The actual bid amounts are \$512,820 for the pumper/rescue truck and \$32,394.55 for the equipment.

Ken: What is your geographical coverage area?

Don: From Exit 95 on I65 Whiteland exit to 200E, plus part of Pleasant and Clark Townships.

Recommendation:

Ken motioned to recommend approval of a fire equipment loan in the amount of \$575,000 for a term of six (6) years. John seconded and the motion carried 6-0.

Owen Valley Fire Protection Territory, Owen County Establish a Levy

Summary: The unit is requesting a levy to support the newly formed unit established in March 13th 2006, and will be effective to collect property taxes in 2007.

Budget Information:

Personnel		Supplies	
Salaries/Wages	\$35,500	Office	\$
Benefits	\$	Operating	\$8,000
Other	\$	Repair/Maintenance	\$8,000
	<u>\$35,500</u>	Other	<u>\$0</u>
			\$16,000
Other		Capital Outlay	
Contractual Payments	\$9,000	Land	\$0
Truck Expenses	\$10,000	Buildings	\$0
Clothing Allowance	\$11,500	Improvements	\$
Insurance	\$20,000	Machinery/Equipment	\$10,000
Repairs/Maintenance	\$	Other	<u>\$</u>
Rentals	\$		<u>\$10,000</u>
Debt Service	\$		
Other	<u>\$4,000</u>		
	\$54,500	Total Budget	\$116,000

Fund	Budget	Levy	Rate
General	\$116,000	\$134,200	.0900
Equipment Replacement	\$25,000	\$30,000	.0300

Resolutions: Establishing Territory 03/13/2006

Attendance

The following people attended the meeting: Lois G. West (Board Member), Linda Simmerman (Clerk Treasurer), and Phyllis Tucker (Trustee/Bookkeeper).

Discussion:

This budget was done at the last minute. At first we were told we could not have a budget for next year, and then told we could. We have had very little time to pull this together.

Questions by board members:

Stan: Has the budget been approved by the Town of Spencer and Washington township?

Answer: Not yet; the public hearing has been held, but the adoption hearing is not until September.

John: You are looking for a twelve cent tax rate? How does that compare to the Town's fire rate and the township's rate?

Lois: The Town dissolved their fire department several years ago. The 2007 township rate is .0374 plus the cumulative fire fund rate of .02.

John: So this is going to double the fire rate, from six to twelve cents?

Stan: But the Town will not have a contractual payment to make.

Lois: The Town will give us \$21,500 for the rest of this year.

John: What is the actual 06 revenue generated by the township?

Phyllis: About \$72,000 in the fire fund and another \$18,072 from the cumulative fund.

John: The budget is increasing from \$112,000 to \$116,000.

Lois: Yes, that's right.

Dan: You have \$10,000 for equipment in the operating fund plus the equipment replacement fund. The practice is to amortize capital outlay over a five-year period and only allow twenty percent per year. That would cut your Capital Outlay budget to \$2,000. You have estimated revenue of \$5,000 but your current year revenue is nineteen percent of the budget. Being conservative and using fifteen percent that would give you \$21,000 in misc. revenue.

Dan: Does your county have income taxes?

Lois: No.

Stan: Does this levy include the equipment replacement fund?

Lois: We have a separate levy and rate for the cum fund.

Recommendation:

Dan motioned to recommend approval of a levy in the amount of \$109,470 for the general fund; modified due to the adjustment of miscellaneous revenues and amortizing capital outlay. John seconded and the motion carried 6-0.

Dan motioned to recommend approval of a levy in the amount of \$25,000 for the equipment replacement fund, modified due to the adjustment of miscellaneous revenues and amortizing capital outlay. John seconded and the motion carried 6-0.

**Jefferson Township, Owen County
Emergency Fire Loan**

Summary: The unit is requesting an emergency fire loan in the amount of \$5,000 for a term of one (1) year for the purpose of increasing the yearly contract for fire protection.

Project Costs: \$5,000

Amount applied to debt: \$5,000

Annual Payment: \$5,410

Emergency Loan Calculation:	2006
Certified Property Taxes	\$5,428
Certified Misc. Revenue	\$616
Jan. 1st Cash Balance	\$5,131
Total Funds Available	\$11,175
Less: Prior Year Encumbrances	\$0
Less: Estimated Expenses	\$16,175
Funds Remaining (Needed)	\$(5000)

Budget Advertised	\$12,000
Budget Adopted	\$12,000
Advertised/Adopted Budget	\$12,000
Less Certified Budget	\$ 9,038
Budget cut by DLGF	\$ 2,962

Tax Rate Impact:	2006 AV	\$35,710,280
	Levy Needed	\$5,410
	Est. Tax Rate	.0151

Meeting and Publication Dates:

Date of publication for a public hearing	06/13/2006
Date of public hearing	06/26/2006
Resolution/Ordinance adopted	06/26/2006
Notice of Determination	06/28/2006

Auditor's Certificate of No Remonstrance: 07/28/2006

Financial History

Fire Fund	2006	2005	2004	2003
Certified Budget	\$9,038	\$8,325	\$6,500	\$6,500
Cash Balance June 30	\$8,386	\$6,026	\$1,322	\$5,284
Operating Balance	\$0	\$0	\$5,323	\$357
Levy	\$5,428	\$5,290	\$5,075	\$4,881
Rate	0.0152	0.0142	0.0138	0.0134

Missing Information: None

Attendance

The following people attended the meeting: Mary Frances Hochstetler (Trustee).

Discussion and Questions by board members:

Ken: Who do you contract with?

Mary: With the Coatesville Fire Department.

Stan: Have you submitted an appeal before?

Mary: Yes, but I didn't advertise correctly and it was denied.

Recommendation:

Lisa motioned to recommend approval of an emergency fire loan in the amount of \$5,000 for a term of one (1) year. John seconded and the motion carried 5-1 with Stan opposed.

City of Portland Redevelopment Authority, Jay County Redevelopment District Bonds

Summary: The unit is requesting approval to issue bonds in the amount of \$1,290,000 for a term of twenty (20) years for the purpose of improving and widening Industrial Drive.

Project Costs: \$1,290,000 Amount applied to debt: \$1,290,000 Annual Payment: \$112,450

Controlled or Uncontrolled: Uncontrolled

Revenue Source for Property Tax Backup: TIF revenues

Tax Rate Impact:	2006 AV	\$193,859,305
	Levy Needed	\$112,450
	Est. Tax Rate	.0580

Meeting and Publication Dates:

Date of publication for a public hearing	N/A
Date of public hearing	N/A
Resolution/Ordinance adopted	06/02/2006
Notice of Determination	06/20/2006

Common Construction Wage: 08/23/2006 Vote: 4-0-1 abstained

Financial History

General Fund	2006	2005	2004	2003
Budget Estimate	\$3,052,741	\$2,994,059	\$2,807,980	\$2,719,467
Cash Balance June 30	\$0	\$1,758,951	\$1,472,530	\$2,220,675
Operating Balance	\$0	\$134,659	\$357,999	\$817,882
Levy	\$1,390,941	\$1,277,258	\$1,180,520	\$1,292,980
Rate	0.7175	0.6164	0.5887	0.6344

Attendance

The following people attended the meeting: Sue Beesley (Bond Counsel with Bingham McHale), Bob Quadrozzi (Director of the Jay County Development Corp.), Bruce Hosier (Mayor), and Greg Guerrettaz (Financial Advisor).

Discussion:

Bruce: Our project is in a TIF area and we are asking for the property tax back up. There is a need within the TIF for street improvements. I have a map here that will show the street and the TIF district. The road leading into the industrial park is now heavily used, since Wal-Mart has come in, and bottlenecks are occurring. We want to widen it to a three-lane road with de-acceleration and turn lanes. It is becoming a logistics challenge. A Super Wal-Mart opened a month ago and there is more development in the works. We are trying to look ahead to meet infrastructure needs. We will need to do further expansions as more developments come in. This is the first TIF District in the city and we want to do it right, we are looking to create a bank balance.

Questions by board members:

Lisa: Is the entire road in the TIF District, including Wal-Mart?

Bruce: Yes.

Ken: What is the current annual TIF revenue?

Bruce: Zero, it is brand new. We have estimated that it will be enough to make the bond payments. There is potential for growth along the west and north side of the TIF District.

Dave: Did the redevelopment commission sign off on the project?

Bob: Yes, and I am the president. I can tell you we are all in support of the project.

Greg: There was an investment banker in the audience during the public hearing and he said that the back-up was a "make it or break it" designation. Without the back-up, he would not be able to sell the bonds locally.

John: Who are the major taxpayers in the District?

Bruce: Wal-Mart, CFC Limited (a Japanese company), CreateTech (a manufacturing company), and a strip mall.

Ken: The other funding you have listed here is capitalized interest?

Greg: Yes.

Dave: What would the interest rate be without the tax back-up?

Greg: At least one point higher and with the circuit breaker, probably even higher than that. We always shoot high but hope for a lower rate.

John: Have you been able to calculate what the circuit breaker would do to Wal-Mart?

Greg: We estimate a loss of \$46,000 per year.

John: If the circuit breaker takes away \$46,000 per year, what is the coverage then?

Greg: It would cut the coverage from 151% to 119% approximately.

Dan: Is there a pledge in your TIF ordinance on how much TIF you can collect; have you put a ceiling on it?

Sue: No, we have not capped it.

Greg: That is why the District was created very small and very specific. An investor would tack on an element of risk if a ceiling were imposed. When the time comes and there is excess TIF, then they will look into returning the financing.

Dave: The cost of financing page has an item labeled "other", what is that?

Greg: Capitalized interest.

Recommendation:

Lisa motioned to recommend approval to issue bonds in the amount of \$1,290,000 for a term of twenty (20) years with a property tax back-up. Ken seconded and the motion carried 6-0.

**Center Township, Hendricks County
Emergency Fire Loan**

Summary: The unit is requesting an emergency fire loan in the amount of \$175,000 for a term of one (1) year for the purpose of funding the 2006 contractual agreement with the Town of Danville.

Project Costs: \$175,000

Amount applied to debt: \$175,000

Annual Payment: \$183,591

Emergency Loan Calculation:	2006
Certified Property Taxes	\$94,498
Certified Misc. Revenue	\$141,381
Jan. 1st Cash Balance	\$79,427
Total Funds Available	\$315,306
Less: Prior Year Encumbrances	\$0
Less: Estimated Expenses	\$490,310
Funds Remaining (Needed)	\$(175,004)

Budget Advertised	\$435,000
Budget Adopted	\$435,000

Advertised/Adopted Budget	\$435,000
Less Certified Budget	\$288,320
Budget cut by DLGF	\$146,680

Tax Rate Impact:	2006 AV	\$192,068,360
	Levy Needed	\$172,600
	Est. Tax Rate	.0899

Meeting and Publication Dates:

Date of publication for a public hearing	04/13/2006
Date of public hearing	04/24/2006
Resolution/Ordinance adopted	04/24/2006
Notice of Determination	05/04/2006

Financial History

Fire Fund	2006	2005	2004	2003
Budget Estimate	\$288,320	\$425,000	\$413,931	\$378,500
Cash Balance June 30	\$151,349	\$152,120	\$173,048	\$173,762
Operating Balance	\$0	\$0	\$0	\$28,609
Levy	\$94,498	\$81,371	\$77,945	\$74,635
Rate	0.0492	0.0421	0.0396	0.0376

Missing Information: None

Attendance

The following people attended the meeting: Judy White (Trustee) and Rob Roberts (Asst. Fire Chief).

Discussion:

I did apply for an appeal last year and it was granted. This is my first time to apply for an emergency loan. I am planning on doing this for three years in a row in order to permanently increase the maximum levy.

Questions by board members:

John: What caused you to come here today?

Judy: The appeal amount is not enough to cover the increase in expenses or to meet my contractual obligations for the rest of the year.

Dan: Have you been spending down fund balances?

Judy: Yes, and it has gotten to the point that there is no more.

Ken: You have estimated expenses of \$490,000 – does that all go to Danville?

Judy: No, the contract amount is \$435,000. I use the rest to help pay for safety gear.

Recommendation:

Dan motioned to recommend approval of an emergency fire loan in the amount of \$175,000 for a term of one (1) year. Stan seconded and the motion carried 6-0.

**Town of Avon, Hendricks County
Lease Financing**

Summary: The unit is requesting approval to execute a lease in the amount of \$2,500,000 for a term of twenty-five (25) years for the purpose of constructing and equipping a new police station, courts and emergency shelter facility.

Project Costs: \$2,500,000 Amount applied to debt: \$2,500,000 Annual Payment: \$270,000

Controlled or Uncontrolled: Uncontrolled

Revenue Source for Property Tax Backup: TIF revenues

Tax Rate Impact:	2006 AV	\$620,499,531
	Levy Needed	\$270,000
	Est. Tax Rate	.0435

Meeting and Publication Dates:

Date of publication for a public hearing	N/A
Date of public hearing	N/A
Resolution/Ordinance adopted	07/27/2006 & 08/10/2006
Notice of Determination	N/A

Auditor's Certificate of No Remonstrance: N/A

Common Construction Wage: Hearing held: 08/14/2006 Vote: 3-0-1 abstained

Financial History

General Fund	2006	2005	2004	2003
Budget Estimate	\$3,045,000	\$2,757,549	\$2,798,938	\$2,130,271
Cash Balance June 30	\$883,500	\$(31,648)	\$361,833	\$780,473
Operating Balance	\$457,242	\$321,318	\$242,125	\$83,900
Levy	\$1,561,177	\$1,463,825	\$1,464,397	\$984,821
Rate	0.2516	0.2651	0.2599	0.1834

Missing Information: None

Attendance

The following people attended the meeting: Lucy Emision (Bond Counsel with Ice Miller), Eva Yackey (Town Council Member), Jeff Ritorto (Chief of Police), Terry Burnworth (Architect with Pyramid), Amanda Oliver (Architect with Pyramid), Greg Guerrettaz (Financial Advisor), Rhonda Cook (Bond Counsel), Dave Jackson (Town Council Member), Michael C. Rogers (Town Council Member), Charles Dorton (Citizen/Taxpayer), and Greg Zusan (Citizen/Taxpayer).

Discussion:

Eva: The building we are discussing today will address the need for additional space for every department of town government (see exhibit 1, which is the complete prepared statement presented at the hearing). The proposal does not require a tax increase. The police department has 21 officers, two full-time staff, the town court judge office and one full-time court employee in a space of only 2166 square foot. The station has two interrogation rooms, one of which is a file store room. The department windows are ordinary household windows, creating a risk of escape for offenders; there is no space for officer training; there is no sally port to handle prisoners safely; we are not in compliance with federal standards for juvenile offenders. The Town Court is held in the council chambers; as such, there is no bench to serve as a barrier between defendants and court personnel. The judge's office is the original police property room.

The population when the town hall was designed was around 4,000; it is now estimated to be between 8,000 and 10,000. In addition to the town, the unincorporated area around the town is growing faster than the town itself. The day-time population during school days is in excess of 25,000. Since 2003, Avon has annexed over 3,500 acres of developable land.

The funds for this project come from the one and only TIF District. The growth that creates this need has caused the District to produce more revenue than originally anticipated. We can pay for this building without increasing taxes.

One last feature is Avon's first public shelter, designed in the lower level of the new building that will improve public safety even further. The former police station will provide new space for the rest of town government. This is a necessary project that will improve safety for our community and provide space for improved services.

Questions by board members:

John: Can you show us a map of the TIF District?

Greg: I can show you that.

John: What purpose was the district established?

Greg: To build the original town hall.

John: Have those bonds been paid off yet?

Greg: No; there are two outstanding debts. One is for the original town hall and the other was for the construction of the dam that the town hall is built on.

Dave: What is your envision of what a TIF District is for?

Lucy: To promote economic growth, and to finance the development of a specific area.

Dave: Don't you think that this project is stretching the purpose of TIF – to use TIF to construct public buildings?

Lucy: This project is necessary for the infrastructure in order to promote economic growth.

Ken: Why TIF instead of general obligation bonds?

Eva: Because we have the money so that we do not have to raise taxes. This is a good purpose for our excess TIF money.

Dan: It seems like you are generating more TIF than you need, and instead of returning it to the other units, you are dedicating it for other projects.

Greg: This is a very small TIF District and it is doing much better than we ever thought.

Ken: Doesn't the school corp. have a higher rate because this assessed value is being taken away from them?

Greg: It is an immaterial amount – we are talking a small amount of money and little to no effect on the tax rate. The only fund that would be impacted would be the capital projects fund, not the general fund.

Stan: Why did the contractor use household windows?

Police Chief: We do not know that. None of us were there when it was designed and built.

Eva: We need to do something – it is a matter of safety. This should have been done yesterday.

Dan: You have no jail?

Police Chief: No, we only have the two interrogation rooms, and one of them is used for file storage.

Dan: What was the cost of the current building?

Greg: I do not remember – the outstanding amount is \$1,290,000.

Ken: If TIF continues to grow, what are you going to do with the excess?

Eva: I don't know – give it back to the schools I guess.

Lucy: We are also running up against the thirty year limit in issuing long-term debt.

Dan: Has the town done a feasibility study to identify the needs for ten to twenty years down the road?

Greg: Yes, I can e-mail that to Judy.

Dan: My problem is that the current building is only six years old and still has outstanding debt and it sounds like it was poorly planned and designed. Is that going to be the same for the proposed building?

Greg: We are facing the same problem that Fishers is just now coming out of. The population has increased greatly. We have come every year for appeals to increase our levy. We are making every effort to correctly anticipate the population growth.

Dan: Does the capital improvement plan address the inadequacies of the current building?

Architect: I have here an assessment of the existing building and the proposed building (See exhibit 2).

Lisa: What is the wisdom in building the emergency shelter?

Police Chief: We have outgrown this building so quickly. We looked at the basement for room to expand. Directly across from the police station is an apartment complex that is built on a slab. It makes sense to spend a little more money to have a shelter available in case of a disaster.

Dave: Is there anybody in the audience that would like to speak?

Charles Dorton: I am a small business owner in the Town of Avon. I agree that something needs to be done – the police station is inadequate, but I would like to present some reasons to postpone a recommendation of approval for this project (see exhibit 3 for complete presentation). The main reasons are:

- There has been no study done to ensure that this is the right size and location
- There has been very limited public input
- Public comments has been confusion, conflict and uncertainty regarding the process
- The storm shelter has been very poorly planned
- This project was not on the Comprehensive Financial Plan as of January 23rd 2006
- The last time project was mentioned was in 2002 and the suggested timeline was to build it in 2010
- Inter-Departmental Communication from the Chief of Police on informal needs assessment
- No selection process done to secure the architect, builder, bond council or financial advisor
- Selection of Builder and Project Manager in question

Dave: The original plans were done in 2004, is the builder that has been selected to construct the police station the original designer?

Charles: No; furthermore, this new design is not ADA compliant and it is built on a flood plane. I am not denying there is a need, I am asking that you postpone your decision until some of the questions have been answered and the issues resolved.

Stan: Was it stated in the Council meeting that this is not ADA compliant or that it is in a flood plane?

Answer: The basement is not on a flood plane and there are restrooms located in the basement.

Dave: What was the Council vote on this project?

Answer: 4-1 in favor.

Dave – to Mr. Rodgers, the opposing Council Member – Would you mind telling us why you opposed?

Mr. Rodgers: (See exhibit 4 for complete comments): I have been a Council Member since 1998 and I am currently the elder council person. I have served the citizens of Avon through all building projects since the Town was incorporated in 1995. Reasons for opposing project:

1. The 1998 project was driven by need
2. The Land Need was satisfied when the Town acquired 52 acres within the town limits
3. The 1998 Town Hall facility was designed with consideration for future expansion – the capability to add two additional wings – one dedicated for the administrative side and one to the police side. The proposed 2006 Police Facility Plan as proposed does not consider the 1998 architectural design and blueprint, nor the potential cost-savings that can be achieved.

The role of Public Safety, Police, and the Town Council:

1. Public safety is paramount to every community
2. It is the responsibility of every police department to keep the town council informed when public safety is at risk. Is Avon truly at risk at this time? Where are the Data & Needs Analysis reports to justify this project?
3. Is the Town Council using “Due Diligence” in using TIF revenue to finance this project?
4. TIF revenue is not the only alternative funding source to provide public safety to our citizens.

Economic Development and appropriate use of TIF revenue:

The goal of every local government should be to stimulate economic growth and the creation of new jobs in our communities. That goal is being challenged by our surrounding municipalities who are more adept to Economic Development strategies.

1. During the 2006 year, Avon lost a major economic development opportunity when the Browning Development Inc. filed an annexation petition with the Town of Plainfield.
2. In 2007, Avon will have another opportunity to work with Browning/Duke Development Inc. to create another industrial development that has the potential to include a 350+ acre industrial park.
3. The 2006 police station building project will greatly determine if the Town will be able to compete for the next development opportunity.

Dave: Have you outgrown the Town Hall/Police Station and is there a need for a new police station?

Mr. Rodgers: Absolutely – we need a comprehensive plan; we also need a post office to serve the Town. We bought 52 acres of land that has not been built up yet. Also, there are other locations to consider. Public safety should not be an issue we have to face.

Dave: Is there anyone else who would like to speak?

Mr. Zusan: I am a commercial banker and one of my main concerns is “why didn’t the Town hire a realtor to find a more suitable location”? The Town has a new elementary that has just been completed and they have broken ground for another expansion on a high school that was built just five years ago. Next week there is a meeting of the school board about future development.

One of the items mentioned in the opening remarks is the need for storage – why not look into off-site storage? Also, a feasibility study might show that we do not need a new police station, that a satellite station is all that is needed in the area where most of the runs and incidents are occurring. There is no question in my mind that we need something; I just do not know if the location or project is correct because no feasibility or needs study have been completed.

Allen (did not sign in, full name unknown): I am an attorney and have been elected to sit on the Police Merit Board. Avon is the only town in Indiana that has a police merit board that has no political interference. Washington Township School District serves all of Washington Township and draws from a population of

30,000 students. Avon's population is only 8,000 – 10,000. Every school corporation is within the town's limits. During the school day, the population of students and staff exceed the capability of the Town. The TIF District draws its' revenues from the school district, not just the Town's population. As such, it is appropriate to use TIF revenue to finance the police station for public safety purposes. One other sentence I heard was that the police station would not be discussed until after the primary election was held – this was for the purpose of not making this a political issue.

The courts were established in 1998 and the current court room is located in what was originally a property storage room. Our judge does not have a bench to separate him from litigators. I urge you to approve this project so that matters of safety can be addressed.

John: Is the facility owned by a building corporation and leased back to the Town?

Lucy: Yes, but it is TIF that would be repaid.

John: Is the lease between the Town and the Building Corp. subject to the petition/remonstrance process?

Lucy: This is an uncontrolled project. The remonstrance would have to be on the execution of the lease.

John: The process that is being used to finance this project and the other concerns raised here today, is there a chance for the township to oppose the execution of the lease?

Dan: There is a chance, but in my experience, once the issue has gotten that far, then it is too late.

Architect: The study I gave you is an assessment of the current building. It was never designed to be a permanent police station; only a temporary one to meet the needs at that time.

Dave Jackson: I have questions about economic development. Quality of life is one of the major items for economic development. The TIF was established to sustain quality of life and provide the necessary facilities to meet those current needs.

John: Where in the role of providing public safety buildings do you draw the line between TIF District revenue?

Mr. Jackson: This is the only TIF District and we have never really addressed the youth of our town. We have been growing exponentially. The taxpayers of Avon have already been paying for the increase in public safety due to the hiring of additional police officers and other safety staff.

Dave: My main concern is not about the need, which we all understand there is one, but it is the method of financing.

Dan: Have you considered other locations, based on the concerns that have been stated today?

Eva: Yes, we have, but this location is the one that was selected as the best site.

Recommendation:

Ken motioned to recommend denial of a lease using TIF District revenue as property tax backup due to TIF revenue not being the correct funding method to construct a public building. Stan seconded and the motion carried 6-0.
